

SENATE BILL 1991  
By Crutchfield

AN ACT to amend Tennessee Code  
Annotated, Title 2, Title 3, Title 4, Title 5,  
Title 6, Title 7, Title 8, Title 9, Title 11, Title  
12, Title 13, Title 16, Title 36, Title 37, Title  
38, Title 39, Title 40, Title 41, Title 43, Title  
44, Title 45, Title 49, Title 50, Title 51, Title  
54, Title 55, Title 56, Title 57, Title 58, Title  
59, Title 60, Title 61, Title 62, Title 63, Title  
65, Title 66, Title 67, Title 68, Title 70 and  
Title 71 relative to the operation and  
funding of state government and to fund  
the state budget for the fiscal years  
beginning on July 1, 2002 and July 1, 2003.

WHEREAS, in accordance with Article II, Section 24 of the Constitution of the State of Tennessee, expenditures of the state shall not exceed revenues and reserves for a fiscal year; and

WHEREAS, from time to time it becomes necessary that certain changes in the general law must be made to ensure the proper and constitutional management and stewardship of the state of Tennessee; and

WHEREAS, in order to effectuate this proper fiscal management of the state for the fiscal years beginning July 1, 2002 and July 1, 2003, it may become necessary to reallocate distributions within the funds and reserves of the state of Tennessee, modify certain programs and institutions of the state, and revise the allocation and sharing of revenues between the state and its various counties and municipalities; now, therefore

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1: Tennessee Code Annotated, Section 4-4-124 is amended by deleting the section in its entirety.

SECTION 2: Tennessee Code Annotated, Title 4, Chapter 7, Part 2 is amended by adding the following as a new appropriately designated section:

“Implementation of salary increases pursuant to this part based on step schedules will be suspended for the fiscal year beginning July 1, 2003, and ending June 30, 2004. Such salary increases shall occur in the fiscal year beginning July 1, 2004, and in subsequent fiscal years only if funds are specifically allocated in the general appropriations act for such increases and shall be calculated based on the time of service through June 30, 2003.”

SECTION 3: Tennessee Code Annotated, Section 8-7-201 is amended by adding the following new subsection:

“(g) Implementation of salary increases pursuant to the pay schedule prescribed in this section shall be suspended for the fiscal year beginning July 1, 2003 and ending June 30, 2004. Such salary increases shall occur in the fiscal year beginning July 1, 2004, and in subsequent fiscal years only if funds are specifically allocated in the general appropriations act for such increases and shall be calculated based on the time of service through June 30, 2003.”

SECTION 4: Tennessee Code Annotated, Section 8-7-226 is amended by designating the existing language as subsection (a) and the following new language as subsection (b):

“Implementation of salary increases pursuant to the pay schedule prescribed in subsection (a) shall be suspended for a period of time beginning from the effective date of this act to June 30, 2004. Such salary increases shall occur in the fiscal year beginning July 1, 2004, and in subsequent fiscal years only if funds are specifically allocated in the general appropriations act for such increases and shall be calculated based on the time of service prior to the effective date of this act.”

SECTION 5: Tennessee Code Annotated, Section 8-7-230 is amended by designating the existing language as subsection (a) and the following new language as subsection (b):

“Implementation of salary increases pursuant to the pay schedule in subsection (a) shall be suspended for a period of time beginning from the effective date of this act to June 30, 2004. Such salary increases shall occur in the fiscal year beginning July 1, 2004, and in subsequent fiscal years only if funds are specifically allocated in the general appropriations act for such increases and shall be calculated based on the time of service prior to the effective date of this act.”

SECTION 6: Tennessee Code Annotated, Section 8-14-202(g) is amended by deleting the subsection in its entirety.

SECTION 7: Tennessee Code Annotated, Section 8-14-207(b) is amended by adding the following new subsection:

“(4) Implementation of salary increases pursuant to the he pay schedule prescribed in subsection (b)(1) shall be suspended for a period of time beginning from the effective date of this act to June 30, 2004. Such salary increases shall occur in the fiscal year beginning July 1, 2004, and in subsequent fiscal years only if funds are specifically

allocated in the general appropriations act for such increases and shall be calculated based on the time of service prior to the effective date of this act.”

SECTION 8: Tennessee Code Annotated, Section 8-14-207(c) is amended by adding the following new subsection:

“(5) Implementation of salary increases pursuant to the pay schedule prescribed in subsection (c)(1) shall be suspended for a period of time beginning from the effective date of this act to June 30, 2004. Such salary increases shall occur in the fiscal year beginning July 1, 2004, and in subsequent fiscal years only if funds are specifically allocated in the general appropriations act for such increases and shall be calculated based on the time of service prior to the effective date of this act”

SECTION 9: Tennessee Code Annotated, Section 8-23-206(d)(2) is amended by inserting after the words “or otherwise” the following punctuation and words:

“, or to such person who would have been eligible for such automatic annual raises in years when no such raise was implemented pursuant to this act”

SECTION 10: Tennessee Code Annotated, Section 8-27-201(b) is amended by designating the existing language as subsection (1) and by adding the following language as a new subsection (2):

“(2) Subject to the availability of funding in the general appropriations act, the commissioner of finance and administration may, pursuant to rules and regulations promulgated by the department, reduce the percentage the state government must pay on behalf of each employee’s basic group insurance plan from that stated in subsection (b)(1).”

SECTION 11: Tennessee Code Annotated, Section 8-30-320(a)(1)(B) is amended by replacing the period with a comma at the end of the third sentence and adding the following language:

“subject to a determination by the commissioner of finance and administration that such notice should be waived.”

And is further amended by inserting the following sentence between the second and third sentences in the subsection:

“The commissioner of finance and administration may waive all or part of the ninety (90) day notice period if deemed necessary by the commissioner by reason of shortage of work or funds, and notification of such waiver shall be reported prior to the effective date of such waiver to the chairs of the finance, ways and means committees of the senate and house of representatives.”

SECTION 12: Tennessee Code Annotated, Section 8-50-904 is amended by deleting subsection (e) in its entirety.

SECTION 13: Tennessee Code Annotated, Section 8-50-906 is amended by adding the following language as a new subsection:

“(d) All costs associated with the administration and implementation of the sick leave bank, including salaries and benefits of personnel who are directly utilized to administer the sick leave bank, expenses and any other administrative costs, shall be paid by the sick leave bank out of funds collected through assessments.”

SECTION 14: Tennessee Code Annotated, Section 9-3-210 is amended by deleting the section in its entirety and substituting instead the following:

“Section 9-3-210. (a) The Comptroller of the Treasury shall charge an audit fee to each county for performance of an audit under the provisions of this part and Title 4, Chapter 3, Part 3. The fee shall be determined as set forth in subsection (b). The fee shall be payable to the Comptroller by June 30 of each year.

(b) The Comptroller shall charge a fee based on a percentage of total actual direct audit costs incurred by the Comptroller for performing the most recent annual audits. The percentage shall be determined annually by the Comptroller. Actual direct audit costs shall include personnel and travel expenses required to perform the audit. In addition to the percentage of actual direct audit costs, the Comptroller shall also charge for printing and mailing the annual audit report.

(c) The Comptroller shall charge a fee based on total actual direct cost as defined in subsection (b) for the following: audits of special school districts, watershed districts, judicial drug task forces, and county related agencies not included in the annual audit; audits requiring special or extended procedures; budget assistance rendered to counties; and financial assistance and other similar services. In addition to the actual direct audit costs the Comptroller shall also charge the cost of printing and mailing audits.”

SECTION 15: Tennessee Code Annotated, Section 9-4-211(a)(2) is amended by adding the following language as a new subsection (C):

“(C) The provisions of subsection (a)(2) of this section shall not apply for the fiscal year beginning on July 1, 2003 and ending on June 30, 2004.”

SECTION 16: Tennessee Code Annotated, Section 12-4-320(a) is amended by deleting the phrase “The board for licensing health care facilities shall,” and replacing it with the following phrase:

“The board for licensing health care facilities may,”

SECTION 17: Tennessee Code Annotated, Section 40-30-309 is amended by adding the following language as a new subsection (d):

“Notwithstanding any provisions of law to the contrary, any limitations on compensation and step increases that apply to district public defenders and assistant public defenders for the period of time beginning from the effective date of this act to June 30, 2004 shall also apply to post-conviction defenders and assistant post-conviction defenders. A resumption of step increases and increases in compensation shall be subject to funds being specifically allocated in the general appropriations act beginning with the fiscal year beginning July 1, 2004 and will be calculated based on the time of service prior to the effective date of this act.”

SECTION 18: Tennessee Code Annotated, Section 38-6-102(d) is amended by deleting subsection (d) in its entirety.

SECTION 19: Tennessee Code Annotated, Section 43-36-109 is amended by deleting the language in the section in its entirety and replacing it with the following language:

“Administrative expenses incurred by the board shall be paid by the National Tobacco Farmers Trust, or from interest earned on funds held by the National Tobacco Farmers Trust.”

SECTION 20: Tennessee Code Annotated, Section 50-6-127 is amended by deleting subsection (c) in its entirety.

SECTION 21: Tennessee Code Annotated, Section 55-4-103(h) is amended by deleting the year or word “2000” in both sentences and substituting instead the year or word “2006” in both sentences; by deleting the period “.” at the end of the first sentence of subsection (h) and by inserting the following language at the end of the sentence:

“; provided, however, that the issue of the new registration plates on January 1, 2006, and any subsequent fifth anniversaries shall be deferred to a later January 1 if funds for the reissue of the registration plates are not appropriated specifically in the general appropriations act.”

SECTION 22: Tennessee Code Annotated, Section 57-3-306(b)(1) is amended by deleting the first sentence of the subsection and replacing it with the following sentence:

Collections of the tax imposed by section 57-3-302(a) and (b) shall be distributed eighty-four and one ten hundredths percent (84.1%) to the general fund and fifteen and nine hundredths percent (15.9%) to the counties.”

SECTION 23: Tennessee Code Annotated, Section 57-4-306(1) is amended by deleting the words and figures “Fifty percent (50%)” and replacing them with the words and figures “Fifty-four and one half percent (54.5%)”.

SECTION 24: Tennessee Code Annotated, Section 57-4-306(2) is amended by deleting the word and figures “Fifty percent (50%)” and replacing them with the words and figures “Forty-five and one half percent (45.5%)”.

SECTION 25: Tennessee Code Annotated, Section 57-4-306(3) is amended by deleting the word and figures “Fifty percent (50%)” and replacing them with the words and figures “Forty-five and one half percent (45.5%)”.

SECTION 26: Tennessee Code Annotated, Section 57-5-205(1) is amended by deleting all references to the words and figures “ten and five hundredths percent (10.05%)” and in all instances in the subsection replacing it with the words and figures “nine and fifteenth hundredth percent (9.15%)”.

SECTION 27: Tennessee Code Annotated, Section 58-3-106(a) is amended in the first sentence of the subsection by deleting all the words “shall” and replacing them with the words “may”.

Tennessee Code annotated, Section 58-3-106(a) is further amended in the second sentence of the subsection by deleting the phrase "In addition thereto," and replacing it with the following phrase:

"If such office is established,"

SECTION 28: Tennessee Code Annotated, Section 4-6-110, is amended by deleting the language ", the Tennessee Preparatory School".

SECTION 29: Tennessee Code Annotated, Section 8-30-101(23)(H), is amended by deleting the language ", the Tennessee Preparatory School".

SECTION 30: Tennessee Code Annotated, Section 8-50-935, is amended by deleting the language ", the Tennessee Preparatory School".

SECTION 31: Tennessee Code Annotated, Section 37-5-106, is amended by deleting item (16) and renumbering the remaining subsections accordingly.

SECTION 32: Tennessee Code Annotated, Title 37, Chapter 5, Part 1, is amended by deleting § 37-5-121 in its entirety.

SECTION 33: Tennessee Code Annotated, Section 37-5-503(4), is amended by deleting the language "; and provided further, that the Tennessee Preparatory School is not excluded from approval pursuant to this part".

SECTION 34: Tennessee Code Annotated, Section 49-1-214(d), is amended by deleting the language ", the School for the Deaf, and the Tennessee Preparatory School" in its entirety and by substituting instead the language "and the School for the Deaf".

SECTION 35: Tennessee Code Annotated, Title 49, Chapter 50, Part 10, is amended by deleting § 49-50-1001 in its entirety and by substituting instead the following:

Section 49-50-1001.

It is the duty of the state board of education to:

(1) (A) Control the Tennessee School for the Blind, the Tennessee School for the Deaf and the Alvin C. York Agricultural Institute; to elect, on the recommendation of the commissioner, the president, superintendents, teachers, officers and other employees for such schools; to fix, on the recommendation of the commissioner, the salaries and terms of office of such officers and employees; and to prescribe curricula and other requirements for diplomas and degrees.

(B) For the purposes of this part, the following definitions apply:

(i) "Commissioner" means the commissioner of education in any reference to the Tennessee School for the Blind, Tennessee School for the Deaf and the Alvin C. York Agricultural Institute;

(ii) "Department" means the department of education in any reference to the Tennessee School for

the Blind, Tennessee School for the Deaf and the Alvin C. York Agricultural Institute.

(2) Receive donations of money, property or securities from any source for the benefit of the institutions named in subdivision (a)(1), which funds it shall, in good faith, disburse in accordance with the conditions of such gifts. Subject to the terms and conditions of legislative appropriations therefor, the board shall have the power to purchase land, to condemn land, erect buildings and equip the same for the schools on such terms as it may deem advisable and advantageous and to pay for the same out of funds appropriated or donated to or for the schools; and the board shall be vested with title to property so purchased or acquired;

(3) Administer the Tennessee School for the Blind and the Tennessee School for the Deaf and to exercise with respect to these schools all the powers conferred upon it by § 12-1-109 and chapter 10, parts 8 and 9 of this title. Any funds or appropriations for the maintenance, improvement and/or operation of these institutions shall be added to those made for other educational purposes to be expended under the direction of the state board of education;

(4) Approve the budgets of the Tennessee School for the Blind and the Tennessee School for the Deaf, before they are submitted to the governor and commissioner of revenue for approval and transmission to the general assembly;

(5) Develop and adopt rules and regulations to achieve for the school year a duty-free lunch period for all teachers, kindergarten through grade twelve (K-12), of at least the length of the student lunch period, during which time the teacher has no other assigned responsibilities;

(6) Employ elementary guidance counselors consistent with the requirements for local education agencies set forth in § 49-6-303; and

(7) Promulgate rules providing employees of the Tennessee School for the Blind, the Tennessee School for the Deaf, the Alvin C. York Institute, and any other special school hereafter established, the right to appeal decisions of the commissioner relative to adverse job actions, to the full board. Rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5. Appeals filed pursuant to rules promulgated in compliance with this section shall be contested cases under title 4, chapter 5, part 3.

SECTION 36: Tennessee Code Annotated, Section 49-50-1002(a), is amended by deleting the language "the Tennessee Preparatory School,"

SECTION 37: Tennessee Code Annotated, Section 49-50-1003(a), is amended by deleting the language "the Tennessee Preparatory School,".

SECTION 38: Tennessee Code Annotated, Section 41-4-121 is amended by adding the following language as a new subsection (d):

“(d) In the event a prisoner is transferred to the department of correction for safekeeping under this section, the county shall reimburse the department for the cost of incarcerating the prisoner.”

SECTION 39: Tennessee Code Annotated, Section 49-3-351 is amended by adding the following section as a new subsection (e):

“(e) Notwithstanding any other law or resolution, formula policy, or guideline of the state board of education or approval of the commissioners of education and finance and administration to the contrary, beginning on July 1, 2003, no funding stability or hold-harmless factor shall affect the distribution of state funds to the local education agencies under the basic education program (BEP) funding formula. It is the legislative intent that the BEP formula not include a factor that would delay by one year or any other time period any decrease in state funding to a local education agency under the formula, such as the stability factor adopted by the state board of education on April 3, 1997. The provision of subsection (a) of this section to the contrary notwithstanding, the formula change provided in this subsection shall not be referred for review and recommendation to the education committees of the senate and house of representatives and shall not be subject to approval by resolutions of the senate and house of representatives.

SECTION 40: Tennessee Code Annotated, Section 49-1-302(a)(4) is amended by renumbering the existing subsection as subsection “(A)” and by adding the following as a new subsection (B):

“(B) The state board of education is directed that the basic education program (BEP) funding formula, effective July 1, 2003, and thereafter, shall not contain a stability factor or hold-harmless provision intended to delay by one year or any time period any future decrease in state funding to a local education agency under the formula, such as that adopted by the board on April 3, 1997. The state board of education is further directed that no changes in the BEP formula be made that would negate the legislative intent to terminate such hold-harmless or stability factor. The board is further directed that this formula change shall not be referred to the basic education program review committee appointed by the board. The board of education and the commissioners of education and finance and administration are further directed that by July 1, 2003, they shall approve this formula change, and the commissioners shall distribute funds on this basis, whether or not the board of education has approved such formula change.”

SECTION 41: Tennessee Code Annotated, Section 55-4-215(b) is amended by deleting the language and punctuation in the subsection “, within the following parameters:” and replacing them with a “.”.

And the subsection is further amended by deleting subsection parts (1), (2) and (3) in their entirety.

SECTION 42: Tennessee Code Annotated, Section 67-2-119 (a) is amended by deleting the word and figures “five eighths (5/8)” and replacing them instead with the words and figures “sixty-five and eighty-seven hundred and five ten thousandth percent (65.875%)” and by deleting the words and figures “three eighths (3/8)” and replacing them instead with the words and figures “thirty-four and twelve hundred and five thousandth percent (34.125%)”.

SECTION 43: Tennessee Code Annotated, Section 67-2-119 (b) is amended by deleting the word and figures “three eighths (3/8)” and replacing them instead with the words and figures “thirty-four and twelve hundred and five thousandth percent (34.125%)”



SECTION 44: Tennessee Code Annotated, Section 67-2-119 (c) is amended by deleting the word and figures “three eighths (3/8)” and replacing them instead with the words and figures “thirty-four and twelve hundred and five thousandth percent (34.125%)”.

SECTION 45: Tennessee Code Annotate, Section 67-3-2001 is amended by adding the following language as new subsection (l):

“(l) Notwithstanding any provision to the contrary, the sum of nine percent (9%) shall be subtracted from all proceeds of this tax that would otherwise have been allocated in this section to the various counties of the state and shall be distributed to the general fund.”

SECTION 46: Tennessee Code Annotated, Section 67-3-2001 is amended by adding the following language as new subsection (m):

“(m) Notwithstanding any provision to the contrary, the sum of nine percent (9%) shall be subtracted from all proceeds of this tax that would have otherwise have been allocated in this section to the various municipalities of the state and shall be distributed to the general fund.”

SECTION 47: Tennessee Code Annotated, Section 67-3-2005(a) is amended by adding the following as a new subsection (5):

“Of the proceeds allocated to the counties pursuant to this subsection (a), nine percent (9%) shall be transferred to the general fund. Of the proceeds allocated to the municipalities pursuant to this subsection (a), nine percent (9%) shall be transferred to the general fund.”

SECTION 48: Tennessee code Annotated, Section 67-3-2006(b)(1) is amended by adding the following new language at the end of the subsection:

“Nine percent (9%) of this figure shall be subtracted and distributed to the general fund.”

SECTION 49: Tennessee Code Annotated, Section 67-3-2008(a) is amended by adding the following as a new subsection (5):

“Of the proceeds allocated to the counties pursuant to this subsection, nine percent (9%) shall be transferred to the general fund. Of the proceeds allocated to the municipalities pursuant to this subsection, nine percent (9%) shall be transferred to the general fund.”

SECTION 50: Tennessee Code Annotated, Section 67-4-409(g) is amended by deleting the language in subsection (g) in its entirety and by replacing it with the following new language:

“Three and one-fourth cents (3.25c) of the tax levied by subsection (a), which previously had been credited to the “1986 wetland acquisition fund”, shall henceforth be credited directly to the general fund.”

SECTION 51: Tennessee Code Annotated, Section 67-4-409(i) is amended by. by deleting the language in subsection (i) in its entirety and by replacing it with the following new language:

“One and three-fourth cents (1.75c) of the tax levied by subsection (a), which previously had been credited to the “local park lands acquisition fund”, shall henceforth be credited directly to the general fund.”

SECTION 52: Tennessee Code Annotated, Section 67-4-409(j) is amended by deleting the language in subsection (j) in its entirety and by replacing it with the following new language:

“One and one-half cents (1.5 c) of the tax levied by subsection (a), which previously had been credited to the “state land acquisition fund”, henceforth shall be credited directly to the general fund.”

SECTION 53: Tennessee Code Annotated, Section 67-4-409(l) is amended by deleting the language in subsection (l) in its entirety and by replacing it with the following new language:

“One and one-half cents (1.5 c) of the tax levied by subsection (a), which previously had been credited to the “agricultural resources conservation fund”, henceforth shall be credited directly to the general fund.”

SECTION 54: Tennessee Code Annotated, Section 67-4-2004(2)(A), is amended by adding the following as a new subitem immediately after the existing subitem (f) and relettering the remaining subitems accordingly:

“(g) The holding of participation loans in which more than one (1) lender is a creditor to a common borrower;

SECTION 55: Tennessee Code Annotated, Section 67-4-2004(7), is amended by inserting the words and punctuation “except for a financial institution included in a unitary group of financial institutions otherwise subject to franchise and excise taxes,” immediately after the words and punctuation “Notwithstanding any other provision of law to the contrary,” in subdivision (C).

SECTION 56: Tennessee Code Annotated, Section 67-4-2105, is amended by inserting the words and punctuation “except for a financial institution included in a unitary group of financial institutions otherwise subject franchise and excise taxes,” immediately after the words and punctuation “Notwithstanding any other provision to the contrary,” in subsection (f).

SECTION 57: Tennessee Code Annotated, Section 67-4-2004(8), is amended by deleting the words “a subsidiary of” in the first sentence thereof and inserting in their place the words “and any person directly or indirectly fifty percent (50%) or more owned by”.

SECTION 58: Tennessee Code Annotated, Section 67-4-2017(a)(1) is amended by adding the following language as a new subsection (G):

“An amount equal to nine percent (9%) of the total amount of allocations pursuant to this subsection to county and municipal governments shall revert to the general fund; and”

SECTION 59: Tennessee Code Annotated, Section 67-6-103(a)(1) is amended by deleting the word and figures “Twenty-nine and two hundred and forty-six ten thousandths percent (29.0246%)” and replacing them with the words and figures “Twenty-nine and forty-three hundred seventy-nine ten thousandths percent (29.4379%)”.

SECTION 60: Tennessee Code Annotated, Section 67-6-103(a)(3)(A) is amended by deleting the words and figures “Four and fifty-nine hundred twenty-five ten thousandths percent (4.5925%)” and replacing them with the words and figures “Four and seventeen hundred ninety-two ten thousandths percent (4.1792%)”.

SECTION 61: Tennessee Code Annotated, Section 67-6-103(a)(3)(B)(i) is amended by deleting the words and figures “Four and fifty-nine hundred twenty-five ten thousandths percent (4.5925%)” and replacing them with the words and figures “Four and seventeen hundred ninety-two ten thousandths percent (4.1792%)”.

SECTION 62: Tennessee Code Annotated, Section 67-6-103(a)(3)(E) is amended by deleting the words and figures “Four and fifty-nine hundred twenty-five ten thousandths percent (4.5925%)” and replacing them with the words and figures “Four and seventeen hundred ninety-two ten thousandths percent (4.1792%)”.

SECTION 63: Tennessee Code Annotated, Section 67-7-110(b) is amended by deleting the words and figures “three percent (3%)” and replacing them instead with the words and figures “eleven and seventy-three hundredth percent (11.73%)”.

SECTION 64: Tennessee Code Annotated, Section 67-9-101(a)(1) is amended by deleting the words and figures “forty-eight and one-half percent (48.5%)” and replacing it with the words and figures “fifty-three and thirteen hundred and five thousandth percent (53.135%)”.

SECTION 65: Tennessee Code Annotated, Section 67-9-101(a)(2) is amended by deleting the words and figures “forty-eight and one-half percent (48.5%)” and replacing it with the words and figures “forty-four and thirteen hundred and five thousandth percent (44.135%)”.

SECTION 66: Tennessee Code Annotated, Section 67-9-101(a)(3) is amended by deleting the words and figures “three percent (3%)” and replacing it with the words and figures “two and seventy-three hundredths percent (2.73%)”.

SECTION 67: Tennessee Code Annotated, Section 68-1-1503(a) is amended by deleting the phrase “The commissioner of health shall:” and replacing it with the following phrase:

“The commissioner of health may:”

SECTION 68: Tennessee Code Annotated, Section 68-1-1503(b) is amended by deleting the phrase “The commissioner of health shall establish,” and replacing it with the following phrase:

“The department of health may establish,”

SECTION 69: Tennessee Code Annotated, Section 68-49-101 is amended by deleting the phrase “The department of health shall establish” and replacing it with the following phrase:

“The department of health may establish”

SECTION 70: Tennessee Code Annotated, Section 70-1-309 is amended by inserting after the word and punctuation “fiscal year.” The following language:

“The payment of such adjustment in the salary administration plan is conditioned upon funds for such increase being appropriated specifically in the general appropriations act each fiscal year.”

SECTION 71: Tennessee Code Annotated, Title 4, Chapter 3, Part 10 is amended by adding the following language as a new section:

- (a) Notwithstanding any provision of the law to the contrary, subject to the specific provisions of an appropriation act, the commissioner of finance and administration is authorized to deny carry forwards for, and to transfer funds from, the funds, reserves accounts or programs identified in subsection (c) to the state general fund for the purpose of meeting the requirements of funding the operations of state government for the fiscal year ending June 30, 2003. The authorization provided for in the preceding sentence shall not apply to allow the transfer of any fund balances which are mandated by federal law to be retained in such fund. This authority shall apply to transfers and carryforwards necessary to fund the expenditures for the state for the fiscal years ending June 30, 2003 and June 30, 2004.
- (b) No funds shall be transferred unless specifically appropriated in an appropriations act and such funds shall only be expended in accordance with the provisions of such act.
- (c) Transfers are authorized from the following funds, reserve accounts and programs:
  - (1) Tennessee Housing Development Authority assets funds created or referenced in title 13, chapter 23, part 4;
  - (2) Parole and probation supervision and rehabilitation accumulated fees created or referenced in title 40, chapter 28, part 2;
  - (3) Department of correction work release supervision and rehabilitation accumulated fees created or referenced in title 40, chapter 28, part 2;
  - (4) Temporary assistance for needy families Families First Program created or referenced in title 71, chapter 3, part 1;
  - (5) Department of Safety computerized titling and registration system accumulated fees created or referenced in title 55, chapter 4, part 1;
  - (6) Wetland acquisitions fund created or referenced in title 67, chapter 4, part 4;
  - (7) Wetland compensation fund created or referenced in title 11, chapter 14, part 4;
  - (8) Local parks land acquisition fund created or referenced in title 67, chapter 4, part 4;
  - (9) State lands acquisition fund created or referenced in title 67, chapter 4, part 4;
  - (10) State land compensation fund created or referenced in title 11, chapter 14, part 4;
  - (11) Agriculture resource conservation fund created or referenced in title 67, chapter 4, part 4;
  - (12) Alcohol and drug addiction treatment fund created or referenced in title 40, chapter 33, part 2;
  - (13) Traumatic brain injury fund created or referenced in title 68, chapter 55, part 4;
  - (14) Finance and administration electronic fingerprint imaging systems fund created or referenced in title 67, chapter 4, part 6;

- (15) Tennessee bureau of investigation finger print criminal history data base accumulated fees created or referenced in title 39, chapter 17, part 13;
- (16) Tennessee bureau of investigation expunged criminal offender pretrial diversion data base accumulated fees created or referenced in title 38, chapter 6, part 1 and title 40, chapter 32, part 1;
- (17) Department of safety driver education fund created or referenced in title 67, chapter 4, part 6;
- (18) Department of education driver education fund created or referenced in title 67, chapter 4, part 6;
- (19) Motorcycle rider safety fund created or referenced in title 55, chapter 51, part 1;
- (20) Sex offender treatment program created or referenced in title 39, chapter 13, part 7;
- (21) Industries for the blind fund created or referenced in title 71, chapter 4, part 4;
- (22) Voting machines loan fund created or referenced in title 2, chapter 9, part 1;
- (23) Domestic violence community education fund created or referenced in title 36, chapter 3, part 6;
- (24) Tennessee judicial information system fund created or referenced in title 16, chapter 3, part 8;
- (25) Tennessee advisory commission on intergovernmental relations accumulated balances or carry over funds created or referenced in title 4, chapter 10, part 1;
- (26) Safe schools program created or referenced in title 49, chapter 6, part 43;
- (27) Special schools created or referenced in title 49, chapter 50, part 10;
- (28) Not with standing T.C.A. Sections 54-2-102 and 54-2-103 or any other provision of law to the contrary, department of transportation funds in the highway fund or other funds created or referenced in titles 54, 55, 57, 65 and 67;
- (29) Fraud and economic crimes funds created or referenced in title 40, chapter 3, part 2;
- (30) Emergency communications funds created or referenced in title 7, chapter 86, part 1;
- (31) Deferred revenue account created or reference in title 65, chapter 1, part 2 and any other reserve fund maintained by the Tennessee regulatory authority;
- (32) Health service development agency fund created or referenced in title 68, chapter 11, part 16;
- (33) Oil and gas reclamation fund created or referenced in title 60, chapter 1, part 4;
- (34) State board of accountancy fund created or referenced in title 62, chapter 1, part 1;
- (35) Nursing home residents fund created or referenced in title 68, chapter 11, part 8;
- (36) Agricultural regulatory fund created or referenced in title 43, chapter 1, part 7;
- (37) Dairy promotion board fund created or referenced in title 44, chapter 19, part 1;
- (38) Hazardous waste fund created or referenced in title 68, chapter 212, part 1;

- (39) Voluntary cleanup fund created or referenced in title 68, chapter 212, part 2;
- (40) Underground storage tanks fund created or referenced in title 68, chapter 215, part 1;
- (41) Surface mine reclamation fund created or referenced in title 59, chapter 8, part 2;
- (42) Divorcing parents mediation fund created or referenced in title 36, chapter 6, part 4;
- (43) Division of regulatory boards fund created or referenced in title 56, chapter 1, part 3;
- (44) Child safety fund created or referenced in title 55, chapter 9, part 6;
- (45) Health access incentive fund created or referenced in title 66, chapter 29, part 1;
- (46) Solid waste fund created or referenced in title 68, chapter 211, part 8;
- (47) Used oil collection fund created or referenced in title 68, chapter 211, part 10;
- (48) Drycleaner environmental response fund created or referenced in title 68, chapter 217, part 1;
- (49) Minority owned telecom business fund created or referenced in title 65, chapter 5, part 2;
- (50) Real estate education and recovery education fund created or referenced in title 62, chapter 13, part 2;
- (51) Real estate education and recovery claims fund created or referenced in title 62, chapter 13, part 2;
- (52) Auctioneer education and recovery fund created or referenced in title 62, chapter 19, part 1;
- (53) C.I.D. anti-theft fund created or referenced in title 55, chapter 3, part 2;
- (54) Railroad inspection fee created or referenced in title 65, chapter 3, part 2;
- (55) Utility relocation loan program fund created or referenced in title 67, chapter 3, part 20;
- (56) Education trust fund created or referenced in title 49, chapter 3, part 3;
- (57) Environmental protection fund created or referenced in title 68, chapter 203, part 1;
- (58) Lead based paint abatement fund created or referenced in title 68, chapter 131, part 4;
- (59) Employment security special administration fund created or referenced in title 50, chapter 7, part 5;
- (60) Insurance fees created or referenced in title 56, chapter 2, part 5; title 56, chapter 4, part 1; title 56, chapter 6, part 1; title 56, chapter 14, part 1; title 56, chapter 32, part 2; title 56, chapter 35, part 1; and title 55, chapter 18, part 1;
- (61) Reserves for casualty losses created or referenced in title 12, chapter 3, parts 6 and 9;
- (62) Health related board fund created or referenced in title 63, chapter 1, part 1;

SECTION 72: If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 73: Section 14 of this act shall take effect on July 1, 2003, the public welfare requiring it.

SECTION 74: Sections 54 through 57 of this act shall take effect upon becoming a law and shall apply to tax years ending on or after July 1, 2003, the public welfare requiring it.

SECTION 75: Sections 22 through 26; 42 through 53; and 58 through 66 of this act shall take effect August 1, 2003, the public welfare requiring it.

SECTION 76: All other sections of this act shall take effect upon becoming a law, the public welfare requiring it.